

EXHIBIT 3

WALKER & DUNLOP

Section 221(d)(4) NC - Market Rate Property

10/12/23 6:34 PM

Project Name:	Grand Rapids Lofts	Borrower Contact: Gabe Weinert
Project Location:	Grand Rapids, MI	W&D Contact: Jeff Kearns
Number of Units	143	W&D Telephone: 949-236-5878 W&D Email: jkearns@walkerdunlop.com

Maximum New Mortgage Amount	
The mortgage will be constrained by the lesser of:	
(1) Borrower's Request	N/A
(2) 1.176x Debt Service Coverage Ratio	\$34,884,300
(3) Statutory Per Unit Limitations	\$38,303,600
(4) 85.00% of Replacement Cost	\$32,464,900
(5) Criteria 11*	N/A
Maximum Mortgage Amount	\$32,464,900

*Amount based on Deduction of Grant(s), Loan(s), Tax Credit Equity and Gift(s)

Unit Mix and Rental Revenue					
# of Units	Type	Avg SF	Avg Rent	Rent/SF	Monthly Inc.
143	0-2	618	\$2,209	\$ 2.28	\$315,899
143 Total Units		88,374	Annual Income: \$3,790,788		

Terms of New Mortgage	
New Loan Amount	\$32,464,900
Mortgage Rate	6.75%
MIP	0.25%
Term (months)	480
Monthly P&I	\$195,879
Monthly MIP (est.)	\$6,764
Monthly Payment	\$202,643
Annual Payment	\$2,431,713

Financial Ratios	
Debt Service Coverage Ratio (Incl P&I & MIP)	1.25
Loan To Cost	78.13%

Underwritten NOI			
	UW-DSC	Per Unit	%
Rental Income	\$ 3,790,788	\$ 26,509	
Ancillary Income	\$ 672,006	\$ 4,699	
Gross Income	\$ 4,462,794	\$ 31,208	
Rental Vacancy	\$ (312,396)	\$ (2,185)	7.0%
Net Commercial Income	\$ 99,456	\$ 695	
Effective Gross Income	\$ 4,249,854	\$ 29,719	95.2%
Operating Expenses	\$ 1,159,143	\$ 8,106	27.3%
Rep. Reserve	\$ 42,900	\$ 300	
Total Expenses	\$ 1,202,043	\$ 8,406	28.3%
NOI	\$ 3,047,811	\$ 21,313	71.7%

Sources and Uses of Funds		
Sources		Uses
W&D's Loan Amount	\$32,464,900	Total HUD Estimated Development Cost
Pre-Paid Uses	\$0	No BSPRA or SPRA
Tax Credit Proceeds for Mortgageable Items	\$0	UPB of Existing Indebtedness
Tax Credits for Non-mortgageable Items	\$0	Initial Operating Deficit
Deferred Developer Fee	\$0	Working Capital (4%)
Grants/Secondary Loans/Other Sources	\$0	Off-site Construction Costs
		Demolition Costs
		Developer's Fee
		Other Non-Mortgageable Costs
Total	\$32,464,900	\$41,551,350
Equity Requirement	\$9,086,450	
Refundable Letters of Credit	\$2,514,453	Refunded, if not drawn on, at stabilization
Required Cash to Close	\$6,571,997	

Notes

Several typical cost items not included in Borrower Budget

Assumes Trended Rents will be supported by appraisal and market study

More information needed regarding BTIF and NEZ income and Lobbying costs

Assumes land is owned and valued at \$5M with \$1M of bridge financing

BSPRA Allowance may reduce equity requirement: Builders Profit must be removed from Budget

Other Non-Mortgageable Costs Include:

- Retail TI
- Demolition
- Equity Acq Fee
- Bridge Loan Interest
- Pref Equity Fees
- Bridge Loan Exit Fees
- Acq. Trans Cost
- Soft Cost Contingency
- Pre-Dev Fencing

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Project Name	Grand Rapids Lofts	Borrower Contact: Durbanco					
Project Location:	Grand Rapids, MI	W&D Contact: Jeff Kearns					W&D Contact:
Number of Units	143	W&D Telephone: 949-236-5878					W&D Telephone: (000)000-0000
All Improvements		%	UW Amount	1/0/1900	Sponsor Budget	Difference	Information Source and/or Comments
Total Site Improvements	\$000 per unit		\$0	\$0	\$0	\$ -	
Total Structures	\$201,753 per unit		\$28,850,732	\$29,350,732	\$500,000	\$ -	Includes \$500,000 in Contingency
General Requirements (includes project-specific overhead expenses)		0.00%	\$0	\$0	\$0	\$ -	None shown -assumes included in TS
Builder's Overhead		0.00%	\$0	\$0	\$0	\$ -	None shown -assumes included in TS
Builder's Profit			\$0	\$0	\$0	\$ -	None shown -assumes included in TS
Bond Premium		0.00%	\$0	\$0	\$0	\$ -	Not included in Borrower Budget
Other Fees - General Contractor			\$0	\$0	\$0	\$ -	
Total Construction Contract (HUD-2328)			\$28,850,732	\$29,350,732	\$500,000	\$ -	
Other Fees - Mortgagor			\$180,000	\$180,000	\$ -	\$ -	"Other", Lobbyists (TBD), Permits and Fees
Architect Design Fee			\$350,000	\$350,000	\$ -	\$ -	
Architect Supervision Fee			\$0	\$0	\$ -	\$ -	Required, assumes included in Design
Total For All Improvements			\$29,380,732	\$29,880,732	\$500,000	\$ -	
Construction Time	18	months					
Charges and Financing Fees During Construction							
Interest on loan amount of	\$32,464,900	at	6.75%	for 20 months	\$1,826,151	\$1,505,150	\$ (321,001)
Taxes during construction					\$200,000	\$0	\$ (200,000)
Insurance during construction					\$0	\$0	\$ -
Mortgageable Bond Costs		0.00%	\$0		\$0	\$0	Builders Risk - Not in Borrower Budget
Title and Recording			\$40,000		\$40,000	\$0	\$ -
Subtotal			\$2,066,151		\$1,545,150	\$ (521,001)	
FHA Fees (Based on Loan Amount)							
HUD Mortgage Insurance (includes two years MIP)		0.50%	\$162,325		\$0	\$ (162,325)	Pro-rata refunded if CofO achieved in less time
HUD Application Fee		0.30%	\$97,395		\$0	\$ (97,395)	
Inspection Fee		0.50%	\$162,325		\$0	\$ (162,325)	
Subtotal FHA Fees			\$422,044		\$0	\$ (422,044)	
W&D Fees (Based on Loan Amount)							
Financing Costs		2.50%	\$811,623		\$544,222	\$ (267,401)	Includes Mortgage Brokerage Fee
Placement Costs		0.19%	\$60,500		\$125,000	\$ 64,500	
Includes: GNMA Fee (\$5,000) + Lender Legal (\$50,000) + Processing Fee (\$5,000)							
Subtotal W&D Fees			\$872,123		\$669,222	\$ (202,901)	
Total Charges and Financing			\$3,360,317		\$2,214,372	\$ (1,145,945)	
Legal, Organization, and Audit Fees							
Borrower Legal			\$200,000		\$200,000	\$ -	More information needed
Organization (incl. Third Party Reports)			\$108,050		\$50,000	\$ (58,050)	Includes Green Certification Fees
Cost Certification Audit (Owner)			\$20,000		\$0	\$ (20,000)	
Total Legal and Organization			\$328,050		\$250,000	\$ (78,050)	
Other Expenses and Reserves							
No BSPRA or SPRA			\$0		N/A	N/A	
LIHTC/Nonprofit Developer's Fee			\$0		\$0	\$ -	
Fixtures, Furniture and Equipment			\$125,000		\$250,000	\$ 125,000	Assumes 50% of total is Marketing
Construction Contingency (Sub Rehab only)		0.00%	\$0		\$0	\$0	
Relocation Costs (Sub Rehab only)			\$0		\$0	\$ -	
Initial Deposit to Reserve for Replacement (Sub rehab only)			\$0		\$0	\$ -	
Off-site Costs (Sub Rehab Only)			\$0		\$0	\$ -	
Ground Rent During Construction (Leasehold only)			\$0		\$0	\$ -	
Total Other Expenses and Reserves			\$125,000		\$250,000	\$ 125,000	
Total HUD Estimated Development Cost			\$33,194,099		\$32,595,104	\$ (598,995)	
Warranted Price of Land			\$5,000,000		\$0	\$ -	
Total Mortgageable Replacement Cost			\$0		\$32,595,104	\$ 1,720,471	
NON-MORTGAGEABLE COSTS							
Working Capital		4.00%	\$1,298,596		\$0	\$ (1,298,596)	Includes \$500,000 of contingency
Initial Operating Deficit		est.	\$1,215,857		\$840,400	\$ (375,457)	Pending Market Study
Developer's Fee			\$985,670		\$985,670	\$ -	
Demolition & Off-site Construction Costs			\$0		\$0	\$ -	
All Other Non-Mortgageable Costs			\$3,857,128		\$3,607,128	\$ (250,000)	
All Non-Mortgageable Costs Not Included within HUD Transaction			\$0		\$0	\$ -	
Total Non-Mortgageable Costs			\$7,357,251		\$5,433,198	\$ (1,924,053)	
TOTAL USES OF FUNDS			\$43,309,979		\$38,028,302	\$ 504,989	
Cash Basis							
Less: Market Value of Site			\$5,000,000		\$0	\$ (5,000,000)	
Plus: Debt (If any)			\$1,000,000		\$1,000,000	\$ -	
All analysis should not be construed as a commitment to provide financing. It is based upon information provided by the developer and is subject to underwriting by the lender in reaching conclusions. Final underwriting is subject to approval by the lender.			\$43,309,879		\$39,028,302	\$ 504,989	

Plus: Debt (if any)
 This analysis should not be construed as a commitment to provide financing. It is based upon information furnished by the borrower and may not be relied upon for underwriting conclusions. Final underwriting is subject to approval from Walker Dunlop and HUD.

	\$1,000,000	\$1,000,000	\$	
Total Uses of Funds Cash Basis	\$43,309,379	\$39,028,302	\$	504,989

